

UNITED STATES FEDERAL ELECTION COMMISSION

TYLER ERDMAN,

A Private Citizen

Weston, Connecticut 06883

Petitioner,

-against-

ADAM VICTOR, TRANSNATIONAL MANAGEMENT
SYSTEMS LLC, TRANSNATIONAL MANAGEMENT
SYSTEMS II LLC, HERMAN CAIN, FRIENDS OF HERMAN
CAIN and ROBERTO LARRINAGA,

Respondents.

MUR No. 7056

SUPPLEMENTAL
COMPLAINT

1. For his Federal Election Commission Supplemental Complaint against Adam H. Victor ("Victor"), Transnational Management Systems LLC ("TNMS") and Transnational Management Systems II LLC ("TNMSII")(collectively, "the Victor Entities"), Herman Cain ("Cain"), Friends of Herman Cain ("FOHC")(together with Cain, "the Cain Campaign") and Roberto Larrinaga ("Larrinaga")(collectively with Victor, the Victor Entities and the Cain Campaign "Respondents"), Tyler Erdman ("I," "me," "Erdman" or "Complainant") states as follows, under oath and pursuant to 18 U.S.C. §1001:

2. Erdman incorporates by reference and realleges all allegations and claims stated in *Erdman v. Victor, et al.*, MUR 7056 (filed on or about April 20, 2016)("MUR 7056") as if set forth

in full at this point. All terms and/or names that are defined in MUR 7056 shall have the same meaning in this supplemental complaint.

3. I recently submitted a complaint, MUR 7056 to the Federal Election Commission ("FEC"). That complaint, in general, details how my former employer, Adam Victor ("Mr. Victor"), and various affiliated entities, violated federal law by, among other things, (i) using straw donors to contribute to the Cain Campaign, a federal campaign; and (ii) offering to provide air transport services to the Cain Campaign at a steep discount to "the usual and normal charge" for such goods or services, as that term is defined in 11 C.F.R. §100.52(d)(2).

4. Since I filed MUR 7056, I have become aware that additional facts that, I respectfully submit, support the claims stated therein.

5. In ¶40 of MUR 7056, I described Exhibit B, a copy of a contract between Pegasus Elite Aviation and one of the companies controlled by Mr. Victor. The attached exhibit was incomplete and I now attach a complete copy of Exhibit B.

6. In ¶51 of MUR 7056, I alleged facts regarding a fundraising event for the Cain Campaign that Mr. Victor participated in organizing. Attached hereto as Exhibit D is a true and correct copy of a flyer that was sent to prospective donors to the Cain Campaign regarding this November 11, 2011 fundraising event. The flyer indicates that Mr. Victor was on the host committee to the event.

7. Further, communications between the Cain Campaign and Mr. Garry Coulter, an associate of Mr. Victor, demonstrate the volume of donations that Mr. Victor expected to generate at the November 11, 2011 fundraising event, and his offer of one of his planes to the Cain Campaign at a steep discount to "the usual and normal charge" as that term is defined in 11 C.F.R. §100.52(d)(2).

Specifically, on November 6, 2011, the following emails were exchanged between Mr. Coulter and the Cain Campaign:

On Nov 6, 2011, at 10:59 AM, "Garry Coulter" <GCoulter@USARisk.com> wrote:

Brenda,

Here and to follow is a list of people Adam has invited to the reception. Adam has raised \$25,000 so far and hopes to get to \$50,000 by the time of the event. He would also like to offer to the campaign the use of one of his G4's (Gulfstream aircraft) for 60 days on favorable terms which we can talk about this week in NY.

If there is time on his Mr Cain's schedule Friday, Adam would like to get about 30 minutes of his time to discuss Energy policy. Just let us know where he will be.

We are really looking forward to the event and seeing you all there. Let me know if you need anything from us.

Garry

Garry W. Coulter

Executive Vice President

USA Risk Intermediaries, LLC

307 Falls Street, Suite A, Greenville, SC 29601

Tel: 864/915-5396 | Fax: 864/233-8628

GCoulter@usarisk.com<mailto:GCoulter@usarisk.com>|

www.usarisk.com<<http://www.usarisk.com>>

* * *

From: "Mark J. Block" <mark.block@hermancain.com>

Date: November 6, 2011 12:05:15 PM EST

To: Garry Coulter <GCoulter@USARisk.com>

Cc: Brenda Hicks <Brenda.Hicks@hermancain.com>,

"adamvictor@transgasdevelopment.com" <adamvictor@transgasdevelopment.com>,

Linda Hansen <Linda.Hansen@hermancain.com>

Subject: Re: Herman Cain Reception - NYC Nov. 11

Gary-we can try to make the meeting work. But it will have to be more like 15 minutes than 30.

Would like to discuss the plane - bottom line on the decision to accept this great offer is how much per hour is the cost to us.

Mark Block
Chief of Staff/COO
Friends of Herman Cain

8. In ¶¶71-74 of MUR 7056, I alleged facts regarding Mr. Victor's straw donor scheme that channeled approximately \$15,000 in illegal donations to the Cain Campaign.

9. In MUR 7056 I alleged that Mr. Victor used his four children as "straw donors." See MUR 7056, ¶¶71-74. FEC records show that the Cain Campaign credited each of Victor's children with making a \$2,500 contribution to the campaign. See MUR 7056, ¶71.

10. Upon information and belief, Mr. Victor presented the Cain Campaign with at least eight separate \$2,500 checks, totaling at least \$20,000, on or about November 11, 2011.

11. Upon information and belief, one of these checks was drawn on an account at Signature Bank held in in Mr. Victor's name.

12. Upon information and belief, two of these checks were drawn on accounts belonging to his employees, Marta Dani and Nana Yoshioka. See MUR 7056, ¶71 & notes 1-2.

13. Upon information and belief, five of these checks were drawn on one or more Signature Bank accounts, however, the checks did not indicate who the payor for the check was.

14. Communications between the Cain Campaign and Mr. Victor's associates and records exchanged by the Cain Campaign and Mr. Victor, or his associates, also show that Mr. Victor

designated that his wife and each of his four children was to to be credited with a \$2,500 contribution to the Cain Campaign.

15. Following the November 11, 2011 fundraising event, on November 21, 2011, Brenda Hicks, at the time, the Development Director for the Cain Campaign, sent the following email to Mr. Coulter, who had assisted Mr. Victor in, among other things, organizing the November 11, 2011 fundraising event:

From: Brenda Hicks [bhicks@hermancain.com]
Sent: Monday, November 21, 2011 10:37 AM
To: Garry Coulter
Subject: Herman Cain plane - NYC

Hello Garry – It was a pleasure to meet you in New York. This has been an exciting journey.

I'm finalizing the recordkeeping for the event and need to be in touch with Adam's wife, JoAnne, or someone that can help me with the individual contribution checks that were given at the event? A phone number would be great.

Thank you, Brenda

Brenda Hicks
Development Director
Friends of Herman Cain, Inc.
P.O. Box 2158
Stockbridge, GA 30281
T: 414-345-7120
E: brenda.hicks@hermancain.com
www.hermancain.com

16. Upon information and belief, Ms. Hicks was seeking this information from Mr. Victor, through Mr. Coulter, because she did not have sufficient information the identity of individual donors on at least five of the checks Mr. Victor had presented to the Cain Campaign at, or shortly after, the November 11, 2011 fundraising event.

17. Upon information and belief, the Cain Campaign did not have sufficient information regarding the identity of the donors with respect to at least five checks because they had been issued by Signature Bank as five separate \$2,500 checks drawn on no readily identifiable account but, rather, on Mr. Victor's assurance that he would pay for the checks either directly out of his accounts or by depositing sufficient funds into his wife's and four children's accounts.

18. On November 21, 2011, Mr. Coulter responded to Ms. Hicks' email of earlier that day with the following email:

From: Garry Coulter [mailto:GCoulter@USARisk.com]
Sent: Monday, November 21, 2011 9:39 AM
To: Brenda Hicks
Cc: adamvictor@transgasdevelopment.com; Marta (baysideenergy@aol.com)
Subject: RE: Herman Cain plane - NYC

Brenda,

Thanks. Adam will have [h]is staff put this together for you. If you could send us a template of the info you need, that would be a big help.

Garry

Garry W. Coulter
Executive Vice President
USA Risk Intermediaries, LLC
307 Falls Street, Suite A, Greenville, SC 29601
Tel: 864/915-5396 | Fax: 864/233-8628
GCoulter@usarisk.com | www.usarisk.com

19. Two days later, Ms. Hicks responded with another email that attached a spreadsheet identifying the information that the Cain Campaign had and needed regarding the donors:

From: Brenda Hicks <bhicks@hermancain.com>
Subject: RE: Herman Cain plane - NYC
Date: November 23, 2011 1:28:36 AM EST
To: Garry Coulter <GCoulter@USARisk.com>

Cc: "adamvictor@transgasdevelopment.com"
<adamvictor@transgasdevelopment.com>, "Marta (baysideenergy@aol.com)"
<baysideenergy@aol.com>

Hi Garry, Attached is the spreadsheet that I need completed for the checks that were received the event. Thanks for your help facilitating. Please return to me. Thank you,
Brenda

20. Upon information and belief, Mr. Victor, through Mr. Coulter, received a copy of the spreadsheet that the Cain Campaign wanted completed.

21. Attached hereto as Exhibit E is what, upon information and belief, is a true and correct copy of the spreadsheet created by the Cain Campaign.

22. The partially completed spreadsheet (information regarding the individual donors' addresses, phone numbers, email addresses, employers and positions held within their employers were not completed) indicated that the checks supposedly representing the contributions made to the Cain Campaign by Mr. Victor's wife and four children were sequentially numbered. See Exhibit E.

23. Upon information and belief, the sequential numbering of these five checks indicates that these were not checks previously assigned to the accounts bearing the names of the people to whom the contributions were attributed in the spreadsheet -- i.e., Mr. Victor's wife and four children.

24. Upon information and belief, Mr. Victor was able to have \$12,500 in contributions to the Cain Campaign made on sequentially numbered checks and to have this contribution attributed to his wife and four children in equal \$2,500 increments because of his relationship with Larrinaga, his private banker at Signature Bank.

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25. Upon information and belief, Mr. Victor instructed Larrinaga to draw five checks, that did not have to be executed by the payor, in the amount of \$2,500 each.

26. Upon information and belief, Mr. Victor also instructed Larrinaga to withdraw \$12,500 from one of the Signature Bank accounts in Mr. Victor's name, or the name of one of the entities that he controlled, to cover the five checks that he had instructed Larrinaga to generate.

27. I overheard Mr. Victor on the phone talking to Larrinaga in early November 2011 about generating checks for the Cain Campaign for Mr. Victor to present at the November 11, 2011 fundraising event.

28. In MUR 7056, ¶70, I stated that "[i]n or around November 2012, Victor solicited [me] to become a 'straw donor' to the Cain Campaign, explaining to [me] that if [I] would make a contribution to the Cain Campaign, Victor would reimburse [me] for the contribution. [I] refused Victor's solicitation." The date in this paragraph is a typographical error. Mr. Victor actually solicited me to be a "straw donor" in November 2011, prior to the November 11, 2011 fundraising event for the Cain Campaign. I apologize to the FEC and the respondents for any confusion that this typographical error caused.

29. In ¶¶53-68 of MUR 7056, I described what I believe was a scheme hatched by Mr. Victor to offer to lease either of his G4 aircraft to the Cain Campaign at a deep discount to the "the usual and normal charge" for such goods or services, as that term is defined in 11 C.F.R. §100.52(d)(2).

30. Among the allegations that I made in support of the claim that Mr. Victor hatched a scheme to offer to lease either of his G4 aircraft to the Cain Campaign at a deep discount to the "the usual and normal charge" for such goods or services, as that term is defined in 11 C.F.R.

§100.52(d)(2) was the allegation that “Pegasus Elite Aviation, Inc. (“Pegasus”) managed the planes” for entities controlled by Mr. Victor.

31. Since I filed MUR 7005, which principally dealt with Mr. Victor’s “straw donor” scheme involving to contributions made to Sen. Joe Manchin’s campaign for reelection to his Senate seat in West Virginia in 2012, Mr. Victor has escalated retaliatory attacks against me and my counsel.

32. For example, Mr. Victor is a defendant in two sexual harassment lawsuits in New York in which I have assisted the plaintiffs. Allegations outlining the gist of the allegations made in MURs 7005 and 7056 are contained in these complaints. See *Khatskevich v. Victor, et al.*, Index No. 151658/2014 (Sup. Ct. N.Y. Co.)(Hagler, J.)(complaint filed February 25, 2014)(“the *Khatskevich* case”), *Toktassynova v. Victor, et al.*, Index No. 162327/2014 (Sup. Ct. N.Y. Co.)(Hagler, J.)(complaint filed December 12, 2014)(“the *Toktassynova* case” and, collectively with the *Khatskevich* case, “the sexual harassment cases”).

33. In the sexual harassment cases, two separate cases brought by women accusing Mr. Victor of sexual harassment and other wrongdoing, I have assisted the plaintiffs in pursuing their claims against Mr. Victor and his numerous entities. As a result, Mr. Victor sued me both in New York as well as Delaware in a blatant attempts to intimidate me and my family and force me to incur unwarranted legal fees. Both lawsuits were frivolous: Mr. Victor and his companies voluntarily dismissed the Delaware action after I filed and served a *pro se* motion to dismiss and his New York litigation against me has been substantially dismissed. Nonetheless, the plaintiff in the *Toktassynova* case recorded Mr. Victor outlining his plan to “destroy” me for having the temerity to oppose his illegal, salacious and disgusting behavior. In that recording, Mr. Victor stated:

We may end up settling with [one of the plaintiffs], and giving her some money, and then immediately turn around and sue her. And she's gonna have to give all that money back to the lawyers to defend her. Do you know what I'm saying? Cause then basically, once you give her money, you'll sue her, and she has to basically defend that, cause she won't have the money. ... And the fucked up thing is, if she came over and apologized, and tried to work out a deal with me, right now I'd still do it. Cause I still have some feelings, but over time those feelings turn into rage and anger and betrayal. And the biggest one is of Tyler. Tyler I will never basically settle with. I will destroy Tyler.

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34. Following my filing of MUR 7005, Mr. Victor moved for contempt and sanctions against me and my lawyer, John T. Brennan, claiming that because MUR 7005 contained the check numbers of the checks that Mr. Victor used to reimburse two of his employees for their contributions to the Manchin campaign, we had violated a confidentiality order issued by the court in New York. His claims in this regard are baseless.

35. Since I filed MUR 7056, Mr. Victor's attorneys have communicated with my attorneys, falsely accusing me of stealing documents from Mr. Victor and threatening further sanctions or contempt motions against me and Mr. Brennan. Specifically, Mr. Josh Krakowsky sent the following email to Ms. Khatskevich's attorney on May 10, 2016:

Andrew, attached is another complaint Tyler Erdman filed with the FEC. Brennan put his name on this also. While Brennan may not be authorized to practice law before any federal agency, at least he fixed the multiple typos in his home address since the first FEC complaint he worked on with Mr. Erdman.

I would reach out to Mr. Erdman directly since he filed this pro se, but I do not think you or he would be receptive to that. If Mr. Erdman wants to talk to me directly, I'm happy to do that too.

I would like to know where Mr. Erdman obtained the information in order to allege the facts contained in paragraphs 53 through 60 of the attached FEC complaint. Also, it appears he cites to a forged document in paragraph 40 and Exhibit B. Can he explain where he got that information from?

There is already one sanctions and contempt motion pending against Mr. Erdman and Brennan. If Mr. Erdman and Brennan used information taken from my clients, I will be constrained to make another sanctions and contempt application to the court. If not, I ask that Mr. Erdman please let me know how he was able to allege the facts contained in paragraphs 40, and 53 through 60, and where he obtained Exhibit B. If he obtained it from sources other than the documents copied from my clients, then I have no basis to complain. Let me know.

36. My attorney, John T. Brennan, responded to Mr. Krakowsky, in the following email sent on May 16, 2016:

With respect to your email of last week to Mr. Costigan, I hope the following addresses your concerns.

First, I represent Tyler Erdman. Accordingly, as I advised you on March 3, 2016, if you want to communicate with anyone on this side regarding him, contact me.

Second, we did not use any confidential information in the second FEC Complaint.

Third, I note your contention that Exhibit B to the most recent FEC Complaint is "a forged document." Please explain what you mean.

Fourth, please reassure Mr. Victor that we did not obtain the "forged" document directly from him. It is one of the documents from the S.D.N.Y. Action in which Mr. Victor is involved.

Fifth, I can also assure you that we did not use any confidential information in paragraphs 53-60 of the second FEC Complaint. Most of the information in those paragraphs came from the emails that are described in them.

Sixth, I hope that these representations will help you and your clients recognize that another sanctions or contempt motion would merely waste more time.

Finally, please let us know if you have any objection to sharing the check numbers relating to the Marta Dani and Nana Yoshioka contributions to Herman Cain's campaign with the FEC. If you prefer that I take up this inquiry with the attorney handling the FEC investigation on behalf of Mr. Victor, please provide me with his contact details. If you do object to sharing this information with the FEC, please let me know the basis for the objection.

37. Mr. Krakowsky responded later on May 16, 2016, in in an email stating the following:

Brennan, I'd rather not communicate with you directly. Given the complete lack of respect we have for each other, nothing good can come of it. I don't expect you to agree with my opinion, but you have my motion papers. There is a reason I wrote to Andrew and not you.

To the merits, you utterly failed to answer my question or address my concern. Where did Tyler get the information necessary to allege the facts in paragraphs 53 through 60 of the second FEC complaint? I see from the language used in the FEC Complaint, you are citing to emails. I'm really not an idiot. Where did you get those emails? Was Tyler copied them? If not, where did they come from?

Based on your answer below, it seems that those emails were stolen and subject to the Court's confidentiality order. If you did not mean to communicate that, now's your chance to correct it. Go.

38. Mr. Krakowsky's motion for contempt and sanctions and his repeated threats to file further sanctions and contempt motions against me are designed to harass and retaliate against me and my counsel for filing two meritorious complaints against Mr. Victor and related parties. I also submit that Mr. Victor and his attorneys are leveling these threats and taking these legally baseless actions in order to deter my further cooperation with the FEC (or other authorities) and dissuade me from prosecuting the complaints that I have filed with the FEC. Mr. Victor is pursuing these actions and making these threats because he believes that intimidating me is the only hope he has for terminating the FEC complaints, as he has no substantive defense to the allegations that I have made in them.

39. I was employed by Mr. Victor for several years and I understand how he operates: He attempts to manipulate those around him and intimidate them into doing what he wants, whether it is legal or not. Accordingly, I strongly urge the FEC to thoroughly investigate any statements

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made by Mr. Victor and any other people named in the complaints. In my estimation, Mr. Victor has demonstrated that he places no value in sworn statements, and will, without hesitation, lie and try and coerce those around him to do the same if he thinks he it could benefit him.

40. Mr. Victor's *modus operandi* is to coerce those involved in his campaign finance schemes into making false statements on his behalf in response to any FEC investigation. I am familiar with most of the straw donors and other accomplices that Mr. Victor roped into his campaign finance machinations. I stand ready to assist the FEC in any way possible during its investigation of Mr. Victor, as does my attorney, John T. Brennan.

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RELIEF REQUESTED

Erdman incorporates by reference each allegation in ¶¶1 - 40 as if set forth in full at this point and respectfully requests that the FEC grant and pursue the following forms of relief:

A. Investigate the charges and allegations made in this complaint and based on the result of that investigation, pursue such civil and/or criminal remedies as are deemed appropriate.

Dated: New York, New York
June 15, 2016

By: Tyler Erdman
Tyler Erdman

Weston, Connecticut 06883

Subscribed and sworn to before me this the 15th day of June 2016.

Kerri A. Marcinko
Notary Public

My commission expires July 11, 2019

KERRI A. MARCINKO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MA6244831
Qualified In New York County
My Commission Expires July 11, 2019

Please send correspondence to:

John T. Brennan
151 East 4th Street, No. 1-A
Brooklyn, New York 11218
(347) 785-3005
lawoffjtb@gmail.com

Counsel for Tyler Erdman



RPR-10-2012 19:33 From: Pegasus Elite Aviation

To: 19545030208

Page: 3/29

W376802

AIRCRAFT LEASE AND SERVICES AGREEMENT

This aviation services contract (the "Agreement") is entered into as of this 1st day of November, 2009, by and between Pegasus Elite Aviation, Inc., a Nevada corporation, with its principal place of business at 5600 N. Hwy 95 Bldg. M100, Lake Havasu, AZ 86404 ("PEA") and Transnational Management Systems, LLC with its principal place of business at 690 2nd Ave Apt 630 New York, NY 10018 ("Owner").

WHEREAS, Owner is the registered owner of an aircraft described as follows:

- (1) Make: Gulfstream
 - (2) Model: GIV
 - (3) FAA Registration Number: N771AV
 - (4) Serial Number: 1197
 - (5) Year: 1992
- (The "Aircraft")

WHEREAS, Owner seeks to place the Aircraft in PEA's aircraft operating certificate which PEA maintains in accordance with Federal Air Regulation ("FAR") Part 135 (the "Operating Certificate") to conduct charter operations pursuant to this services agreement with the Aircraft using the operating certificate, and

WHEREAS, Aircraft shall comply with any and all other requirements imposed by the FAA for operations under FAR Part 135 or any other pertinent regulations as in effect at any time, and

WHEREAS, Owner further acknowledges and agrees that notwithstanding any provisions of this Agreement, PEA shall have sole responsibility to ensure that all Aircraft operations, including training and maintenance operations shall be in strict compliance with the Manual, and FAA regulations and the directions of PEA and PEA's dispatch.

NOW, THEREFORE, in consideration of the premises and other good valuable considerations contained herein, the parties hereto hereby agree to the above recitals and the following terms and conditions:

TERM. This Agreement shall commence on the 1st day of November, 2010, and is for a period of 1 year expiring on September 30, 2011. This agreement is automatically renewed on a month to month basis thereafter.

014 021 00004 037 00 USA

APR-18-2012 19:33 From:PeasusEliteAviation

To:19545030288

Page 14/28

W376562

II. OWNER'S OBLIGATIONS.

2.1 Inspection and Operation of the Aircraft. At Owner's expense, Owner agrees to have the Aircraft inspected by PEA's, or a repair facility approved by PEA prior to the time PEA places the Aircraft on the Operating Certificate. Thereafter, Owner shall ensure that either PEA's or a PEA approved maintenance facility performs all maintenance and Owner agrees to maintain and operate the Aircraft in full accordance with the PEA Maintenance Inspection program. (PEA GIV MIP) PEA may terminate this Agreement immediately upon written notice to Owner in the event any inspection of the Aircraft uncovers any mechanical, structural or other conditions unacceptable to PEA at its sole discretion. Notwithstanding PEA's obligations contained in FAR 135, PEA shall ensure the airworthiness of the Aircraft during the term of this Agreement.

2.2 Maintenance and Repair Costs. PEA may perform and Owner shall pay for all maintenance and repairs to the Aircraft and parts to the Aircraft. Any maintenance facility must be approved by PEA's Director of Maintenance, and must meet FAR Part 135 requirements and requirements of the PEA Maintenance Inspection Program. (PEA GIV MIP).

2.3 Flight Crew Training. At Owners expense, PEA or a training facility approved by PEA shall provide all training for any person authorized to operate the Aircraft. Owner agrees to permit the Aircraft to be flown for Initial or Recurrent flight training of FAA required flight checks necessary to certify persons authorized to operate the Aircraft at Owners expense. A combination of factory training and in house training may be used to train pilots, however all pilots will be trained in factory approved simulator training at least BI annually.

2.4 Aircraft Operations. Owner shall not operate the Aircraft without approval and cleared by PEA's dispatch. All flights shall be in accordance with PEA dispatch procedures and shall obtain a flight release from PEA dispatch to assure crew and Aircraft maintenance requirements of FAR Part 135 without regard to whether the use is a charter flight or for use under FAR Part 91. All Flight crews that operate the aircraft shall be employees of PEA.

2.5 Accounting Services. Owner and PEA agree that all monthly accounting shall be on a monthly basis, and all accounts will be settled by the 20th of the following month.



APR-10-2012 15:34 From: Pegasus Elite Aviation

Tel: 19545630208

Page: 3/28

W376862

2.6. Payment of Fees and Expenses. PEA shall pay Owner \$5,000 per flight hour that aircraft is rented. In addition, PEA shall pay Owner a Fuel Surcharge per hour of \$500 per hour. This fuel surcharge is based on today's average price of \$3.75 per gallon. The fuel surcharge may be adjusted up or down depending on average costs. Owner acknowledges and agrees to be responsible for any and all expenses associated with the Aircraft, including, but not limited to, fuel, crew, insurance, maintenance, navigational charts, and any other expenses incurred in operating any charter or other Aircraft's flights. A full description of the Annual Operating Budget is attached as Appendix A.

2.7. Charter Operations. The aircraft charter rate shall be \$5,000 per flight hour. Where PEA collects less than the hourly amounts stated above because of Air Traffic Control delays or other circumstances beyond its control, PEA shall remit the appropriate percentages to the Owner based upon the customers quoted price. PEA assumes the risk of non-collection of billings for charter flights booked by PEA. However, any flights for customers arranged by Owner that have not cleared PEA's credit policy will be the responsibility of the Owner if collection is not possible.

2.8. Taxes. Owner agrees to pay all taxes, fees, assessments, sales tax, personal property tax, license and registration fees together with all fines and penalties assessed by any taxing governmental authority ("Taxes") which relates in any way to the ownership, use or operation of the Aircraft, excluding only those taxes based upon PEA's income taxes for revenue which PEA earns pursuant to this Agreement. PEA shall be responsible for accounting and forwarding of Federal Transportation taxes where applicable.

2.9. Audit and Inspections. PEA shall have the right, but not the obligation, to inspect the Aircraft at all reasonable times and Owner's refusal to allow any such inspection hereunder shall entitle PEA to immediately terminate this Agreement by telephonic or written notice without prejudice to any other rights which PEA may have at law or in equity.

2.10. Restricted Use. Owner agrees to operate the Aircraft only for purposes and within the geographical limits set forth in PEA's operating specifications and as set forth in insurance policies in force on the Aircraft. Owner shall not use the Aircraft in violation of any foreign, federal, state, territorial, or municipal law or regulation and shall be solely responsible for any fines, penalties, or forfeiture occasioned by any violation.

2.11. Insurance by Owner. At Owner's expense and prior to the commencement of this Agreement, Owner shall obtain insurance on the Aircraft with a Company and on a form acceptable to both parties, providing liability coverage with a single limit for bodily injury and property damage of at least \$250,000,000. The policy providing such coverage will name PEA as additional insured, provide for thirty (30) days written notice to PEA of cancellation or amendment of the policy in any manner detrimental to the interest of PEA and contain a waiver of subrogation in favor of PEA.

015 021 0000 007 00 USA

APR-10-2012 19:34 From:PesaxusElite@pea.com

To:15345030208

Page:6/20

W376862

Owner will furnish to PEA certificates of Insurance which demonstrate that Owner has met the requirements of this paragraph.

III. PEA's OBLIGATIONS

3.1 Operating Certificate. PEA shall place the Aircraft on the operating certificate once it has obtained written results of the Aircraft inspection and, in its sole discretion, determines that the Aircraft is suitable for charter operations. PEA shall comply with the requirements of FAR Part 135.

3.2 Manuals. PEA shall provide all required Company manuals and subsequent revisions and amendments thereto, and Dispatch services for the Aircraft.

3.3 Charter Marketing. PEA shall market the Aircraft on an exclusive basis.

3.4 Hanger / Parking. PEA will supply hanger facilities for the aircraft at each of its facilities for the rate of \$5,000 per month.

3.5 Aircraft Fuel. The aircraft will have availability to PEA's contract wholesale fuel contracts.

3.6 Insurance. PEA shall place aircraft on its fleet policy for the rate of _____ for limits of 10.0M hull and 250.0M liability. Renewal rates annually are subject to rates from PEA's insurer.

3.7 Flight Crew. PEA will make available to Owner the services of a qualified crew, consisting of a Captain, Co-Pilot, relief pilot, and Flight Attendant. Each member of the crew shall be acceptable to Owner. Such crew members shall be the employees or agents of PEA. The agreed salary for all crew members shall be stated in the Annual Operating Budget. (Appendix A)

3.8 Maintenance. PEA shall offer all maintenance performed on the aircraft at a wholesale shop rate of \$85 per hour. A full estimate of maintenance charges shall be stated in the Annual Operating Budget. (Appendix A.)

3.9 Aircraft Records. All aircraft maintenance records including log books shall be maintained and kept at the offices of PEA.





PPR-18-2012 19:34 From Pegasus Elite Aviation

To: 19545830208

Page: 7/28

633-76862

IV. GENERAL PROVISIONS.

4.1. **Indemnification.** Owner agrees to indemnify, protect, save and keep harmless PEA, its agents and employees from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions and suits, including legal expense, of whatever kind nature, imposed and incurred by or asserted against PEA because of ownership of the Aircraft, a condition existing in the Aircraft at the commencement of the Agreement or negligence of the Owner. PEA and the Owner each agree to defend, indemnify and hold harmless and the other party including their respective parents, subsidiaries and affiliated companies and the officers, directors and employees of each of them, from and against any and all liabilities, damages, costs and claims, including reasonable attorney's fees, resulting from any neglect, misconduct or negligence on the part of PEA or Owner as the case may be, in the performance of any obligation required under this Agreement.

4.2. **Base of Operations.** PEA and Owner will by their mutual agreement, establish the base of operation of the Aircraft, which shall be designated herein as Wilmington, DE.

4.3. **Payment.** A one time commencement fee of \$0 shall be paid to PEA by Owner to cover the initial effort involved in placing the Aircraft on the Operating Certificate. (See Appendix B.) Such payment will be paid upon signing of the Agreement. PEA shall forward the Aircraft accounting on a monthly basis to Owner. Accounting shall be forwarded to Owner no later than the 10th of the following month, at the following address:

Transnational Management Systems, LLC
830 1st Ave Apt 30-C
New York, NY 10016

Owner and PEA shall pay all invoices on or before the tenth day following the date of the invoice date and make such payment to PEA at the following address:

Pegasus Elite Aviation, Inc.
5800 Hwy 95 N H100
Lake Havasu, AZ 86404

4.4. **Governing Law and Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the state of Arizona.

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APR-18-2012 19:34 From:PegasusEliteAviation

To:19549030229

Page:8/28

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4.5 Default. If either party breaches any of the provisions of this Agreement (the "Breaching Party") and fails to cure such breach within ten days after receipt of written notice from the non-breaching party, the non-breaching party may terminate this Agreement without prejudice to any rights the non-breaching party may have against the Breaching Party.

4.6 Risk of Loss or Damage of Aircraft. Risk of loss or damage to the Aircraft shall be borne by the Owner. If, during the term of this Agreement, the Aircraft is destroyed, lost or damaged beyond repair, this Agreement shall terminate immediately.

4.7 Relationship of Parties. The relationship between PEA and Owner shall always and only be that of PEA and Owner. PEA shall never at any time during the term of this Agreement represent Owner and Owner shall not represent PEA as set forth herein.

4.8 Notices. All notices, demands, or other communications to be delivered or given hereunder will be in writing and will be deemed to be duly given if delivered or sent by certified mail; postage prepaid, return receipt required, as follows:

To PEA : Pegasus Elite Aviation, Inc.
5600 Hwy 95N H100
Lake Havasu, AZ 86404

To Owner : Transnational Management Systems, LLC
630 1st Ave Apt 30 C
New York, NY 10016

4.9 Entire Agreement. This Agreement constitutes the entire understanding between the parties as of its effective date and supersedes all prior or independent agreements between the parties which concerns the Aircraft. Any change, modification or amendment to this Agreement must be in writing signed by both parties.

4.10 Rights and Remedies. PEA's and Owner's rights and remedies with respect to any of the terms and conditions of the Agreement shall be cumulative and non-exclusive and shall be in addition to all other rights and remedies which either party possesses at law or in equity as otherwise provided in this Agreement.



APR-18-2012 19:35 From: Passacuna Elite Aviation

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Page 19/20

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4.11 Separability. In the event that any one or more of the provisions of the Agreement shall be determined to be invalid, unenforceable or illegal, such invalidity, illegality and unenforceability shall not affect any other provisions of this Agreement, and the Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

4.12 Counterpart Execution. This Agreement may be executed concurrently in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

~~PEA~~

BY: [Signature]

TITLE President

OWNER [Signature]

BY: Adam McWR

TITLE President

APR-10-2012 15:12 From:PegasusEliteAviation

To:19515030208

Page:15/24

PEGASUS ELITE AVIATION

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TRIPSHEET REPORT

Trip Number: 3194		Description: TRIP# 1848 - ADAM VICTOR - PAKISTAN													
Trip Dates: 02/17/12 - 03/11/12		Requestor: ADAM VICTOR													
Tail Number: N772AV	Type: G4	Contact Phone:													
Flight Number: 1848		Aircraft Dom File Phone:													
Verification Number:		Aircraft Int'l File Phone:													
		Dispatcher Name: Ofa													
YOU HARD TIME.															
To	FBO: JET AVIATION	PH: 201-462-4000	FAX: 201-462-4006												
		LAST PRICE: 6.0600	DATE: 08/11/11												
		FREQ: 131.425													
ADDRESS: 112 CHARLES LINDBERG DR															
CITY: TETERBORO															
STATE: NEW JERSEY															
ZIP: 07608															
CONFIRM: OS SPUKE DARLEES															
COMMENTS: NOTIFIED OF 1305 ARRIVAL															
FUEL PRICE IS \$4.51, DIRECT BILL TO AYCARD ON BOARD THE AIRCRAFT															
Dep Crew Trans:															
COMMENTS: HANDLER WILL PICK UP CREW AT 0830 LOCAL															
Arr Crew Trans: HERTZ CORP															
PH: - FAX: -															
CONFIRM: CF3 DARLEES															
COMMENTS: A MIDSIZE RENTAL HAS BEEN ARRANGED UNDER MATT RACKAUCKAS															
LEG NOTES															
CREW NOTES															
LFPB:															
- OUTBOUND CUSTOMS AND IMMIGRATION ARRANGED															
- DEPARTURE SERVICES ARRANGED:															
KTEB:															
- INBOUND APIS HAS BEEN FILED, CONFIRMATION EAP18-3204500. CUSTOMS HAS BEEN ARRANGED.															
- CUSTOMS WILL CLEAR US AT JET AVIATION															
NBR	PASSENGER NAME	01	02	03	04	05	06	07	08	09	10	11	12	13	14
1	VICTOR, ADAM	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON
2	PERKINS, ELIZA	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON	ON
3	SARTER, STEPHAN CHRISTINA CATIE														
4	ATWEL, RO														
5	DONOSUO, CHRISTINA														

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Page: 16

HERMAN CAIN
President 2012



Your Host Committee

*Adam Victor, Roger Aguinaldo, Jonathan Burkan, Eric Anton,
Blair Fensterstock, Jay Lifton, James Hallock, Chris Dewey,
Ken Abramowitz, David Bedner and Mark Goldwasser*

Cordially invites you to a
Fundraising Cocktail Reception featuring

~ Mr. Herman Cain ~

Friday, November 11

Club 101

101 Park Avenue, New York, NY

5:00 – 5:30 VIP Reception \$999

5:30 – 7:00 General Reception \$500

Minimum Contribution: \$500

Cain Club \$2,500 ♦ Visionary \$2,000 ♦ Patriot \$1,500

Kindly RSVP by email to RSVP@hermancain.com before Monday, November 6
(Include your name, address, phone number and event name "NY Club 101")

Next, please make your contribution for this event on-line at:

<https://www.hermancain.com/donate#sc=11111NYCLUB101>

Herman Cain is one of America's most successful corporate executives and beloved conservative leaders. Herman served as the President and CEO of Godfather's Pizza and served as a senior executive at other major companies, including Pillsbury and Burger King. His outstanding reputation as a problem-solving, common sense leader led to industry peers electing him as the President and CEO of the 380,000-member National Restaurant Association and as Chairman of the Federal Reserve Bank in Kansas City. Herman hosted his own nightly radio program on one of Atlanta's largest radio stations, WSB, and served on the board of directors for Hallmark, Whirlpool, and AGCO corporations. Encouraged by an outpouring of support from across the country, he announced his 2012 candidacy for President of the United States.

Friends of Herman Cain
P.O. Box 2158, Stockbridge, GA 30281
678-601-2772
www.hermancain.com

Contributions are not tax-deductible for federal income tax purposes. Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation, and employer of individuals whose contributions exceed \$200 in an election cycle. An individual may contribute up to \$2,500 per election (the primary and general are separate elections). Federal law prohibits contributions from corporations, federal government contractors, labor unions, and foreign nationals.

Paid for by Friends of Herman Cain, Inc.

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First Name	Last Name	Address	City	State	Zip	Phone	Email	Position	Company	Donation	Check	Event
Adam	Victor									2500	153	111111 NY Club 101
Jo-Ayla	Victor									2500	111004937	111111 NY Club 101
Alia	Victor									2500	111004935	111111 NY Club 101
Alexia	Victor									2500	111004934	111111 NY Club 101
Jo-Ann	Victor									2500	111004938	111111 NY Club 101
Adam	Victor Jr.									2500	111004936	111111 NY Club 101

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